



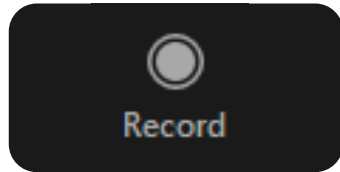
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Oregon's Health Care Market Oversight (HCMO) Program

Rules Advisory Committee meeting #1

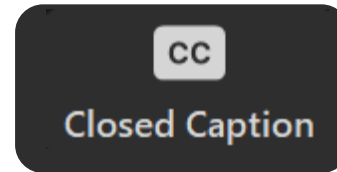
November 6, 2025

Meeting logistics

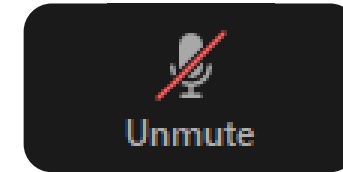


This meeting is
being recorded

The recording will
be posted online.



Closed captioning is
available



Remain muted if
you are not
speaking

Welcome

Attendance: please enter your name and organization in the chat.

Agenda:

- Brief overview of HCMO program
- RAC process
- Review and discuss proposed rule changes
- Public comment (11:45 AM)
- Wrap up / next steps

For technical assistance, send a direct message in the chat to Melisa Otrugman.

Roles for Today's Meeting

OHA Staff	Present information about HCMO, the RAC, and the proposed rule changes. Facilitate the meeting.
RAC Members	Provide input on the draft rules; suggest additional changes to rules.
Public	Provide additional input during public comment period.

RAC members and the public can also submit comments via email or public comment form at any time during this process.

Public Comment

- Public comment for rulemaking is open until the rulemaking process ends (tentatively February 2026).
- This meeting includes time for public comment (at 11:45 AM).
- For comments to be considered between RAC meeting #1 and #2, please submit no later than Thursday, November 13, 2025. .

Send comments to: HCMO.info@oha.oregon.gov

- Do not include private or sensitive information in your comments



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About Oregon's Health Care Market Oversight Program

Through the **Health Care Market Oversight (HCMO)**

program, OHA reviews proposed health care business deals to make sure they support statewide goals related to cost, equity, access, and quality.

HCMO aims to..



Promote transparency



Support statewide priorities



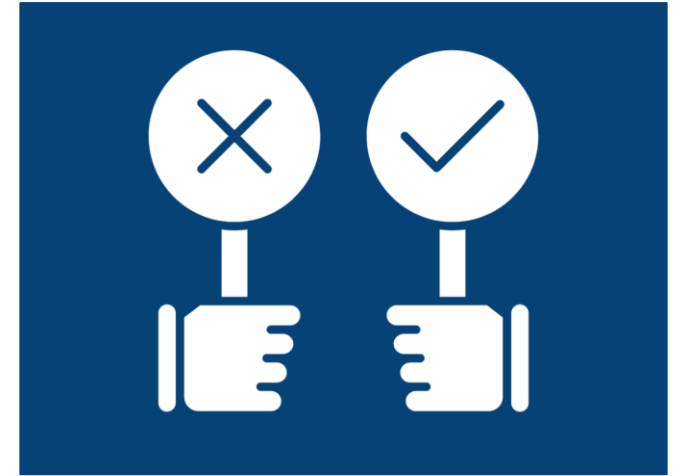
Monitor and study impacts

What authority does OHA have?

For each proposed deal that is reviewable, OHA may:

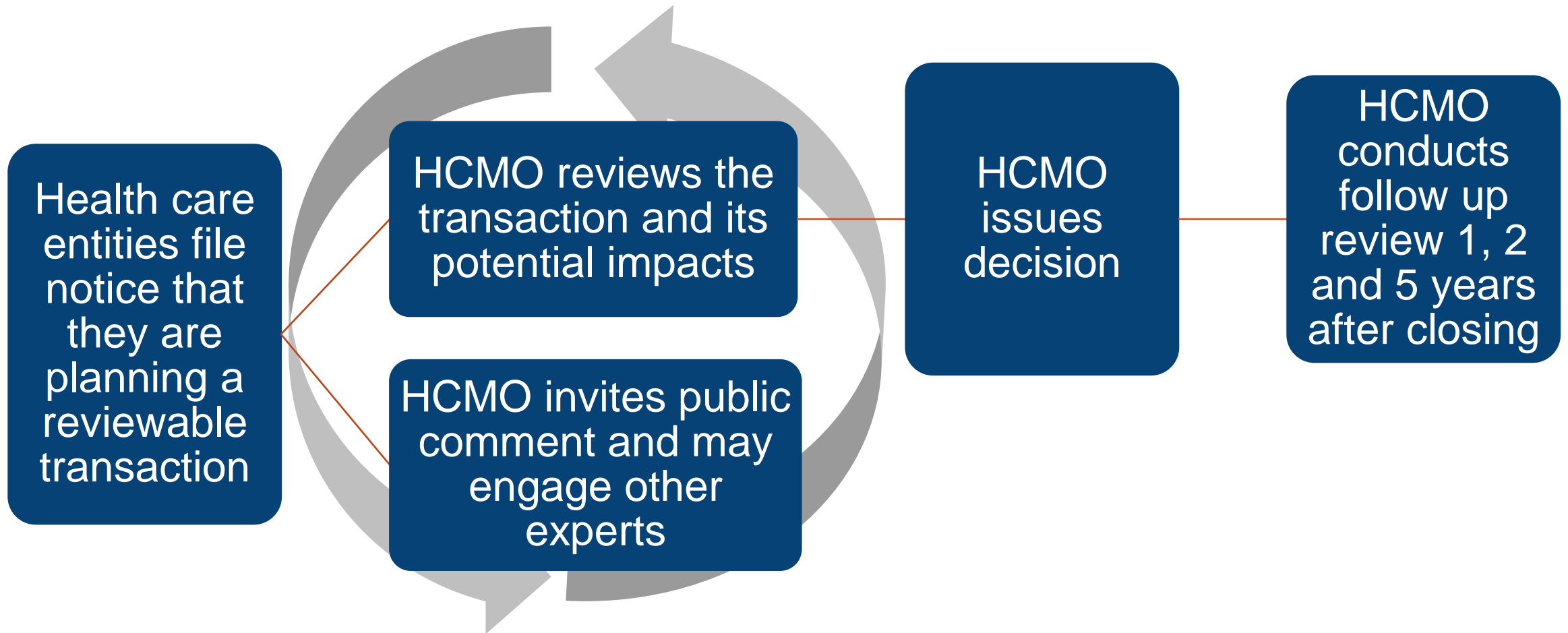
- Approve
- Approve with conditions
- Disapprove

For deals that involve a domestic health insurer, OHA provides a recommendation to the Division of Consumer and Business Services, who makes the final decision.



HCMO Review Process

Very high level



During reviews, HCMO looks at how a proposed transaction could affect:



Health care costs



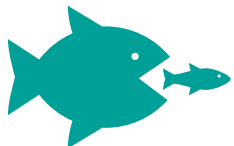
Access to care



Quality of care



Health equity



Market consolidation

HCMO is guided by...

[Oregon Revised Statute 415.500 et seq.](#)

[Oregon Administrative Rules 409-070-0000 through -0085](#)

[OHPB approved guiding principles and framework](#) (Oct 2025)

[OHA sub-regulatory guidance](#)



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Rules Advisory Committee (RAC)

Process

About Rules Advisory Committees

A RAC is used to seek input to the maximum extent possible during the development of the proposed rulemaking prior to giving notice of intent to adopt, amend, or repeal an administrative rule.

A RAC allows the public and interested parties to provide input and suggestions during the development of new rules, amendment or repeal of existing rules, and the fiscal impact of the proposed rulemaking. **The RAC's role is advisory, and consensus is not necessary.**

The Oregon Health Authority (OHA) is holding this RAC meeting as public meeting and any individual is welcome to attend, observe, and listen. The RAC meeting will include a time for the public to provide comment.

Proposed 2025 HCMO RAC Meetings

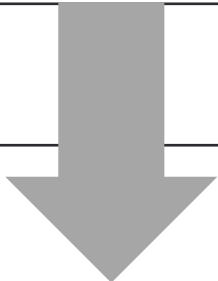
Meeting #1 – November 6th

- Program and rulemaking background
- Review and discuss suggested rule changes

Meeting #2 – November 20th

- Review input received from today through November 13, 2025
- Continued discussion of rule changes
- Review and discuss revised fee schedule
- Review and approve:
 - Statement of Need & Fiscal Impact
 - Radical Equity Impact Statement
- Final edits to rule will be submitted to SoS
 - Additional opportunity for feedback in 2026

Tentative Rule-Making Timeline

<i>OHA continues to accept & consider input</i> 	November 6, 2025 and November 20, 2025	RAC meetings
	February/March 2026	Rules Hearing (tentative)
	February/March 2026	Last day for public comment (tentative)
	April 2026	Rules effective date (tentative)

Previous HCMO Rulemaking

2021	Initial rulemaking after establishing legislation.
2022	Rule changes to add / clarify definitions, details about Community Review Boards, and the 2023 fee schedule
2024	Rule changes to clarify in-state / out-of-state entities, when emergency exemption requests are made public, and other primarily housekeeping changes.

Developing proposed rule changes for 2025

- HCMO gathered input from the public through:
 - Ongoing public comment
 - Two listening sessions in September 2025
 - Oregon Health Policy Board conversations and public comment
- HCMO also reviewed public comments that were suggested during the 2024 rulemaking process.

Feedback to-date

For today's RAC meeting, HCMO has provided a summary of all feedback and suggested rule changes received to-date, along with notes about how the input has been addressed.

Categories:

- Incorporated
- Partly incorporated
- Not incorporated feedback

Note: a substantial number of comments and suggestions that HCMO has received to-date would require statutory change and cannot be addressed through administrative rulemaking.

Other suggestions may be more appropriate for sub-regulatory guidance.



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Draft Rules

Today's Goal

- Review all proposed rule changes in the first draft
 - Discuss each section.
 - OHA staff will compile input received and consider input when creating second draft of HCMO rules.
- The second draft will be presented at the next RAC meeting on Nov 20, 2025.



Rule Sections 409-070-xxxx

-0000 Scope and Purpose

-0005 Definitions

-0010 Covered Transactions

-0015 Materiality Standard

-0020 Excluded Transactions

-0022 Emergency and Exempt Transactions

-0025 Acquisition of Control; Presumptions and Disclaimers

-0030 Requirement to File a Notice of Material Change Transaction

-0035 Material Change Transaction Involving Domestic Health Insurer

-0040 Material Change Transaction Involving a Charitable Organization or Hospital

-0042 Optional Application for Determination of Covered Transaction Status

-0045 Form and Contents of Notice of Material Change Transaction

-0050 Retention of Outside Advisors

-0055 Preliminary 30-Day Review...

-0060 Comprehensive Review...

-0062 Community Review Board

-0065 Conditional Approval; Suspension...

-0067 Violations and Civil Penalties

-0070 Confidentiality; Permitted Disclosures

-0075 Contested Case Hearings

-0080 Compliance with Conditions; Information Requests

-0082 Follow Up Analyses After the Material Change Transaction

--085 Information Requests

409-070-0000 Scope and Purpose

No proposed changes.

409-070-0005 Definitions

No proposed changes.

409-070-0010 Covered Transactions

No proposed changes.

409-070-0015 Materiality Standard

Clarify language regarding in- and out-of-state entities, including clarifying parameters for when an entity may be considered out-of-state.

409-070-0020 Excluded Transactions

No proposed changes.

409-070-0022 Emergency and Exempt Transactions

OHA currently provides the applicant [requesting the emergency exemption] 10 calendar days advance notice before posting the request for emergency exemption for public comment.

Propose changing from 10 calendar days to 3 business days.

409-070-0025 Acquisition of Control; Presumptions and Disclaimers

No proposed changes.

409-070-0030 Requirement to File a Notice of Material Change Transaction

It is a known issue that the current HCMO fee schedule, effective January 2023, is insufficient to cover costs, as directed by the legislature.

Through the 2025 rulemaking process, OHA will be proposing a revised HCMO fee schedule.

The proposed revisions will be included in the second draft redline rules for discussion at the November 20th RAC meeting.

State not recovering costs for new Oregon merger reviews

Fees paid by companies fall far short of covering expenses of program set up to protect patients, consumers

[The Lund Report](#), June 2024

409-070-0035 Material Change Transaction Involving a Domestic Health Insurer

No proposed changes.

409-070-0040 Material Change Transaction Involving a Charitable Organization or Hospital

No proposed changes.

409-070-0042 Optional Application for Determination of Covered Transaction Status

OHA is proposing rule changes to align with current practice around publishing the determination letter.

- If the entity consents, or if the transaction is publicly known (including HCMO beginning a review of the transaction), HCMO will post the determination letter within 1 business day.
- If the entity does not consent or if the transaction is not publicly known, HCMO will post the determination no less than 6 months after the transaction closes (if it does).

409-070-0045 Form and Contents of Notice of Material Change Transaction

OHA is proposing rule changes to align with current practice:

- The entities must provide complete and final definitive agreements no later than 15 days after the preliminary review period begins. If the entities cannot provide these agreements, the preliminary review period will be tolled.

409-070-0050 Retention of Outside Advisors

OHA is proposing:

- Requiring OHA and DOJ **must** require that outside advisors are not subject to any conflicts of interest and will protect confidential information.
- Adding 'related costs for document management software' to the list of reimbursable costs.
- Adding clarification that failure to pay within 30 days of receiving an invoice may result in additional actions under Oregon statute for delinquent accounts.

409-070-0055 Preliminary 30-Day Review of a Notice of Material Change Transaction

No proposed changes.

409-070-0060 Comprehensive Review of a Notice of a Material Change Transaction

OHA is proposing adding clarification that a transaction may be disapproved or suspended if the parties do not agree to an extension of time necessary to accomplish a Tribal consultation.

409-070-0062 Community Review Board

OHA is proposing:

- Adding clarification that a CRB must consist of at least 3 individuals.
- Clarifying that no more than one third of CRB members may be representatives of institutional or corporate providers.
- Adding that OHA may toll the comprehensive review period if the entities do not respond within a required timeframe to a CRB request for information.

409-070-0065 Conditional Approval; Suspension of a Proposed Material Change Transaction

OHA is proposing adding that it may impose civil penalties against an entity for each failure to comply with a condition that is not resolved within 30 calendar days of written notification.

409-070-0067 Violations and Civil Penalties

OHA is proposing adding a new section to the rules, specifying violations and civil penalties.

- Up to \$10,000 per offense when an entity fails to timely submit a notice of material change transaction
- Up to \$5,000 per offense when an entity fails to submit a required data element ... related to a condition
- Up to \$10,000 per offense when an entity fails to timely respond to a clarifying question or information request from OHA.
- Up to \$10,000 per offense when an entity fails to provide requested documentation.
- Up to \$10,000 per offense when an entity fails to comply with a condition as specified in the Order.

409-070-0070 Confidentiality; Permitted Disclosures

OHA is proposing rule changes to align with current practice:

- OHA will publish the redaction logs.
- OHA will, in collaboration with DOJ, review all claims of confidentiality. OHA / DOJ may require additional information from an entity to justify their claims of confidentiality. Applicant must respond to inquiries and requests for additional information.
- Failure of an applicant to adequately justify grounds for confidentiality and to respond to OHA/DOJ may result in OHA not accepting confidentiality claims.

If this happens, OHA will notify the entity 2 business days in advance of public release.

409-070-0075 Contested Case Hearings

OHA is proposing adding language to describe how the Contested Case Hearings (CCH) process works for civil penalties (section 409-070-0067).

- Entities have 15 calendar days to request a CCH
- If entities do not request a hearing within this time period, OHA will issue an Order
- If the Order is not appealed, or appealed and sustained, the civil penalty is payable within 10 calendar days

409-070-0080 Compliance with Conditions; Information Requests

Housekeeping change: remove “Information Requests” from this section title. See section 409-070-0085 Information Requests.

409-070-0082 Follow-up Analyses After the Material Change Transaction

No proposed changes.

409-070-0085 Information Requests

OHA is proposing clarifying that entities must respond to requests for additional information within the timeframe outlined by OHA.



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Public Comment

Raise your hand on Zoom

When facilitator calls on you, state your

- name
- organization/affiliation
- idea for rule changes / comments on proposed rule changes





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Next Steps

Reminder

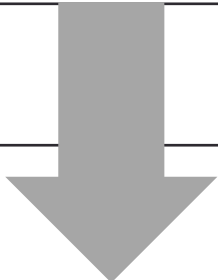
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For More Information

HCMO Website

www.Oregon.gov/HCMO

HCMO Rules

(including Rules Advisory Committee information and application)

<https://www.oregon.gov/oha/HPA/HP/Pages/HCMO-Rules.aspx>

Contact Us

hcmo.info@oha.Oregon.gov



You can get this document in other languages, large print, braille or a format you prefer free of charge. Contact the HCMO Program at hcmo.info@oha.Oregon.gov or 503-945-6161. We accept all relay calls.

Health Care Market Oversight Program
Health Policy & Analytics Division
www.Oregon.gov/HCMO

